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AMENDED IN SENATE AUGUST 22, 2012
AMENDED IN SENATE AUGUST 14, 2012
AMENDED IN SENATE AUGUST 9, 2012
AMENDED IN SENATE JUNE 13, 2012
AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 174

Introduced by Assembly Member Monning

January 24, 2011

An act to add Section 12803.35 to the Government Code, to add Section 19548.5 to the Revenue and Taxation Code, and to amend Sections 1088.5 and 1095 of the Unemployment Insurance Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 174, as amended, Monning. Office of Systems Integration: California Health and Human Services Automation Fund.

Existing law establishes the Office of Systems Integration and requires that office to implement a statewide automated welfare system for specified public assistance programs.

This bill would establish the California Health and Human Services Automation Fund within the State Treasury and would, upon appropriation by the Legislature, expend specified moneys deposited into the fund for services rendered by the office. Certain funds would

only be transferred to the fund upon order of the Department of Finance, as specified.

Existing law provides that it is a misdemeanor for the Franchise Tax Board or specified state employees to disclose or make known any information in a return, report, or document filed under the Administration of Franchise and Income Tax Laws, but authorizes the Franchise Tax Board to disclose this information to specified agencies for specified purposes.

This bill would authorize the Franchise Tax Board, upon request, to disclose to the California Health Benefit Exchange, the State Department of Health Care Services, the Managed Risk Medical Insurance Board, and county departments and agencies, returns or return information to verify or determine eligibility of an individual for Medi-Cal benefits, the Healthy Families Program, the Access for Infants and Mothers Program, health benefits, tax credits, health insurance subsidies, or cost-sharing reductions through the exchange.

Existing law provides for the payment of unemployment compensation benefits to eligible unemployed individuals, and requires the Employment Development Department to implement and administer the unemployment insurance system in the state. Existing law requires each employer to file with the department a report of wages paid to his or her workers and to furnish to each employee a written statement showing, among other things, the total amount of wages, and total wages subject to personal income tax, as provided. Existing law also requires each employer to file with the department specified information on new employees, and authorizes the use of that information for specified purposes including, among other things, administration of the law regarding unemployment compensation benefits. Existing law provides that a person who knowingly accesses, uses, or discloses confidential information without authorization is guilty of a misdemeanor.

This bill would also authorize the Employment Development Department to provide employer or employee information to the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies for specified purposes. By expanding the crime of knowingly and wrongfully accessing, using, or disclosing specified information, this bill would impose a state-mandated local program.

Under existing law, the information obtained in the administration of the Unemployment Insurance Law is for the exclusive use and

information of the Director of Employment Development in the discharge of his or her duties and is not open to the public. However, existing law requires the director to permit the use of specified information for specified purposes, and allows the director to require reimbursement for direct costs incurred. Existing law provides that a person who knowingly accesses, uses, or discloses this confidential information without authorization is guilty of a misdemeanor.

This bill would require the Director of Employment Development to enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer account numbers, employer reports of wages, and number of employees, and disability insurance and unemployment insurance claim information for specified purposes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would incorporate additional changes in Section 1088.5 of the Unemployment Insurance Code, proposed by AB 1794 and AB 1845, that would become operative only if this bill and either or both of those bills are chaptered and become effective January 1, 2013, and this bill is chaptered last.

This bill would incorporate additional changes in Section 1095 of the Unemployment Insurance Code, proposed by SB 691 and SB 1258 that would become operative only if this bill and either or both of those bills are chaptered and become effective January 1, 2013, and this bill is chaptered last.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12803.35 is added to the Government
- 2 Code, to read:
- 3 12803.35. (a) There is hereby established in the State Treasury,
- 4 the California Health and Human Services Automation Fund. The
- 5 moneys in the fund shall be available upon appropriation by the

1 Legislature for expenditure by the Office of Systems Integration,
2 established pursuant to Section 12803.3, for support of that office.
3 (b) The fund shall consist of the following:
4 (1) All moneys appropriated to the fund in accordance with law.
5 (2) The balance of all moneys available for expenditure by the
6 Systems Integration Division of the Office of Technology Services.
7 (3) An amount of funding transferred from the Department of
8 Technology Services Revolving Fund to this fund determined by
9 the Department of Finance.
10 (4) Funds appropriated to the State Department of Social
11 Services in the annual Budget Act for the management, including,
12 as needed, procurement, design, development, testing,
13 implementation, oversight, and maintenance, of the following
14 projects shall be transferred to this fund upon order of the
15 Department of Finance:
16 (A) Statewide Automated Welfare System (SAWS), including
17 Statewide Project Management, WCDS, C-IV, LEADER, LRS,
18 and the migration of C-IV to LRS pursuant to Section 10823 of
19 the Welfare and Institutions Code, as amended by Section 9 of
20 Chapter 13 of the First Extraordinary Session of the Statutes of
21 2011.
22 (B) Child Welfare Services/Case Management System
23 (CWS/CMS).
24 (C) Child Welfare Services/Case Management System
25 (CWS/CMS) new system project.
26 (D) Electronic Benefit Transfer (EBT).
27 (E) Statewide Fingerprinting Imaging System (SFIS).
28 (F) Case Management Information Payrolling System (CMIPS)
29 Reprourement.
30 (G) Welfare Data Tracking Implementation Project (WDTIP).
31 (5) (A) Funds appropriated to the Employment Development
32 Department in the annual Budget Act for the management,
33 including procurement, design, development, testing,
34 implementation, oversight, and maintenance, of the Unemployment
35 Insurance Modernization project shall be transferred to the fund
36 upon order of the Department of Finance.
37 (B) On or before full expenditure of federal Reed Act funds,
38 the Department of Finance and the Employment Development
39 Department shall determine the appropriate timeframe to transfer
40 the project management and the associated resources for the

1 Unemployment Insurance Modernization Project to the
2 Employment Development Department.

3 (6) Funds appropriated to the Department of Health Care
4 Services and the Managed Risk Medical Insurance Board in the
5 annual Budget Act for the management, including procurement,
6 design, development, testing, implementation, oversight, and
7 maintenance, of the California Healthcare Eligibility, Enrollment,
8 and Retention System shall be transferred to the fund from the
9 Department of Finance.

10 (7) Funds from the California Health Benefit Exchange may be
11 transferred upon order of the Department of Finance pursuant to
12 an interagency agreement between the California Health Benefit
13 Exchange and the Office of Systems Integration to support the
14 California Healthcare Eligibility, Enrollment, and Retention
15 System.

16 SEC. 2. Section 19548.5 is added to the Revenue and Taxation
17 Code, to read:

18 19548.5. (a) (1) The Franchise Tax Board may, upon request,
19 disclose to the California Health Benefit Exchange, the State
20 Department of Health Care Services, the Managed Risk Medical
21 Insurance Board, and county departments and agencies, returns or
22 return information described in paragraph (2) in the records of the
23 Franchise Tax Board, through information sharing agreements or
24 data interfaces, to verify or determine eligibility of an individual
25 for Medi-Cal benefits, the Healthy Families Program, the Access
26 for Infants and Mothers Program, health benefits, tax credits, health
27 insurance subsidies, or cost-sharing reductions through the
28 Exchange.

29 (2) The returns and return information that may be disclosed
30 pursuant to this section is limited to the following:

31 (A) Information necessary to validate or make the eligibility
32 determination, including wages, withholdings, identifying
33 information, and credits.

34 (B) The demographic information of any taxpayer.

35 (C) Tax refund information of any taxpayer.

36 (3) In addition to the penalties under this article for unauthorized
37 use or disclosure of the information disclosed pursuant to this
38 section by any deputy, agent, clerk, officer, or employee of any
39 agency receiving information pursuant to this section, any
40 information received from the Franchise Tax Board as a result of

1 this section shall be subject to the information sharing and
2 confidentiality requirements in paragraph (8) of subdivision (a) of
3 Section 100504 of the Government Code.

4 (b) (1) This section shall not be construed to supersede the
5 requirements and protections in the California Right to Financial
6 Privacy Act under Chapter 20 (commencing with Section 7460)
7 of Division 7 of Title 1 of the Government Code in obtaining
8 information in possession of any financial institution.

9 (2) This section shall not be construed to supersede or replace
10 or in any way modify any privacy and information security
11 requirements and protections in federal and state law regarding
12 protected health information or personally identifiable information,
13 including, but not limited to, the federal Health Insurance
14 Portability and Accountability Act (HIPAA), the Information
15 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)
16 of Title 1.8 of Part 4 of Division 3 of the Civil Code), Section
17 14100.2 of the Welfare and Institutions Code, and any other state
18 or federal laws that are intended to, or have the effect of, protecting
19 individual privacy and information security in any circumstance.

20 (c) The Franchise Tax Board may require reimbursement for
21 costs incurred in providing information specified in this Section.

22 SEC. 3. Section 1088.5 of the Unemployment Insurance Code
23 is amended to read:

24 1088.5. (a) In addition to information reported in accordance
25 with Section 1088, effective July 1, 1998, each employer shall file,
26 with the department, the information provided for in subdivision
27 (b) on new employees.

28 (b) Each employer shall report the hiring of any employee who
29 works in this state and to whom the employer anticipates paying
30 wages.

31 (c) (1) This section shall not apply to any department, agency,
32 or instrumentality of the United States.

33 (2) State agency employers shall not be required to report
34 employees performing intelligence or counterintelligence functions,
35 if the head of the agency has determined that reporting pursuant
36 to this section would endanger the safety of the employee or
37 compromise an ongoing investigation or intelligence mission.

38 (d) (1) Employers shall submit a report as described in
39 paragraph (4) within 20 days of hiring any employee whom the
40 employer is required to report pursuant to this section.

1 (2) Notwithstanding subdivision (a), employers transmitting
2 reports magnetically or electronically shall submit the report by
3 two monthly transmissions not less than 12 days and not more
4 than 16 days apart.

5 (3) For purposes of this section, an employer that has employees
6 in two or more states and that transmits reports magnetically or
7 electronically may designate one state in which the employer has
8 employees to which the employer will transmit the report described
9 in paragraph (4). Any employer that transmits reports pursuant to
10 this paragraph shall notify the Secretary of Health and Human
11 Services in writing as to which state the employer designates for
12 the purpose of sending reports.

13 (4) The report shall contain the following:

14 (A) The name, address, and social security number of the
15 employees.

16 (B) The employer's name, address, state employer identification
17 number (if one has been issued), and identifying number assigned
18 to the employer under Section 6109 of the Internal Revenue Code
19 of 1986.

20 (C) The first date the employee worked.

21 (5) Employers may report pursuant to this section by submitting
22 a copy of the employee's W-4 form, a form provided by the
23 department, or any other hiring document transmitted by first-class
24 mail, magnetically, or electronically.

25 (e) For each failure to report the hiring of an employee, as
26 required and within the time required by this section, unless the
27 failure is due to good cause, the department may assess a penalty
28 of twenty-four dollars (\$24), or four hundred ninety dollars (\$490)
29 if the failure is the result of conspiracy between the employer and
30 employee not to supply the required report or to supply a false or
31 incomplete report.

32 (f) Information collected pursuant to this section may be used
33 for the following purposes:

34 (1) Administration of this code.

35 (2) Locating individuals for purposes of establishing paternity
36 and establishing, modifying, and enforcing child support
37 obligations.

38 (3) Administration of employment security and workers'
39 compensation programs.

1 (4) Providing employer or employee information to the
2 Franchise Tax Board and the State Board of Equalization for the
3 purpose of tax or fee enforcement.

4 (5) Verification of eligibility of applicants for, or recipients of,
5 the public assistance programs listed in Section 1320b-7(b) of Title
6 42 of the United States Code.

7 (6) Providing employer or employee information to the State
8 Department of Health Care Services, the California Health Benefit
9 Exchange, the Managed Risk Medical Insurance Board, and county
10 departments and agencies for the purpose of:

11 (A) Verifying or determining the eligibility of an applicant for,
12 or a recipient of, state health subsidy programs, limited to the
13 Medi-Cal program, provided pursuant to Chapter 7 (commencing
14 with Section 14000) of Part 3 of Division 9 of the Welfare and
15 Institutions Code, the Healthy Families Program, provided pursuant
16 to Part 6.2 (commencing with Section 12693) of Division 2 of the
17 Insurance Code, and the Access for Infants and Mothers Program,
18 provided pursuant to Part 6.3 (commencing with Section 12695)
19 of Division 2 of the Insurance Code, where the verification or
20 determination is directly connected with, and limited to, the
21 administration of the state health subsidy programs referenced in
22 this subparagraph.

23 (B) Verifying or determining the eligibility of an applicant for,
24 or a recipient of, federal subsidies offered through the California
25 Health Benefit Exchange, provided pursuant to Title 22
26 (commencing with Section 100500) of the Government Code,
27 including federal tax credits and cost-sharing assistance pursuant
28 to the federal Patient Protection and Affordable Care Act, (Public
29 Law 111-148), as amended by the federal Health Care and
30 Education Reconciliation Act of 2010 (Public Law 111-152), where
31 the verification or determination is directly connected with, and
32 limited to, the administration of the California Health Benefit
33 Exchange.

34 (C) Verifying or determining the eligibility of employees and
35 employers for health coverage through the Small Business Health
36 Options Program, provided pursuant to Section 100502 of the
37 Government Code, where the verification or determination is
38 directly connected with, and limited to, the administration of the
39 Small Business Health Options Program.

1 (g) For purposes of this section, “employer” includes a labor
2 union hiring hall.

3 (h) This section shall become operative on July 1, 1998.

4 *SEC. 3.1. Section 1088.5 of the Unemployment Insurance Code*
5 *is amended to read:*

6 1088.5. (a) In addition to information reported in accordance
7 with Section 1088, effective July 1, 1998, each employer shall file,
8 with the department, the information provided for in subdivision
9 (b) on new employees.

10 (b) Each employer shall report the hiring of any employee who
11 works in this state and to whom the employer anticipates paying
12 wages.

13 (c) (1) This section shall not apply to any department, agency,
14 or instrumentality of the United States.

15 (2) State agency employers shall not be required to report
16 employees performing intelligence or counterintelligence functions,
17 if the head of the agency has determined that reporting pursuant
18 to this section would endanger the safety of the employee or
19 compromise an ongoing investigation or intelligence mission.

20 (d) (1) Employers shall submit a report as described in
21 paragraph (4) within 20 days of hiring any employee whom the
22 employer is required to report pursuant to this section.

23 (2) Notwithstanding subdivision (a), employers transmitting
24 reports magnetically or electronically shall submit the report by
25 two monthly transmissions not less than 12 days and not more
26 than 16 days apart.

27 (3) For purposes of this section, an employer that has employees
28 in two or more states and that transmits reports magnetically or
29 electronically may designate one state in which the employer has
30 employees to which the employer will transmit the report described
31 in paragraph (4). Any employer that transmits reports pursuant to
32 this paragraph shall notify the Secretary of Health and Human
33 Services in writing as to which state the employer designates for
34 the purpose of sending reports.

35 (4) The report shall contain the following:

36 (A) The name, address, and social security number of the
37 employees.

38 (B) The employer’s name, address, state employer identification
39 number (if one has been issued), and identifying number assigned

1 to the employer under Section 6109 of the Internal Revenue Code
2 of 1986.

3 (C) The first date the employee worked.

4 (5) Employers may report pursuant to this section by submitting
5 a copy of the employee's W-4 form, a form provided by the
6 department, or any other hiring document transmitted by first-class
7 mail, magnetically, or electronically.

8 (e) For each failure to report the hiring of an employee, as
9 required and within the time required by this section, unless the
10 failure is due to good cause, the department may assess a penalty
11 of twenty-four dollars (\$24), or four hundred ninety dollars (\$490)
12 if the failure is the result of conspiracy between the employer and
13 employee not to supply the required report or to supply a false or
14 incomplete report.

15 ~~(f) Information~~

16 *(f) (1) On and after January 1, 2013, and before January 1,*
17 *2019, information collected pursuant to this section may be used*
18 *for the following purposes:*

19 ~~(1)~~

20 (A) Administration of this code, *including, but not limited to,*
21 *providing employer or employee information to participating*
22 *members of the Joint Enforcement Strike Force on the*
23 *Underground Economy pursuant to Section 329 for the purposes*
24 *of auditing, investigating, and prosecuting violations of tax and*
25 *cash-pay reporting laws.*

26 ~~(2)~~

27 (B) Locating individuals for purposes of establishing paternity
28 and establishing, modifying, and enforcing child support
29 obligations.

30 ~~(3)~~

31 (C) Administration of employment security and workers'
32 compensation programs.

33 ~~(4)~~

34 (D) Providing employer or employee information to the
35 Franchise Tax Board and the State Board of Equalization for the
36 purpose of tax or fee enforcement.

37 ~~(5)~~

38 (E) Verification of eligibility of applicants for, or recipients of,
39 the public assistance programs listed in Section 1320b-7(b) of Title
40 42 of the United States Code.

1 (F) Providing employer or employee information to the
2 Contractors' State License Board and the State Compensation
3 Insurance Fund for the purpose of workers' compensation payroll
4 reporting.

5 (G) Providing employer or employee information to the State
6 Department of Health Care Services, the California Health Benefit
7 Exchange, the Managed Risk Medical Insurance Board, and county
8 departments and agencies for the purpose of:

9 (i) Verifying or determining the eligibility of an applicant for,
10 or a recipient of, state health subsidy programs, limited to the
11 Medi-Cal program, provided pursuant to Chapter 7 (commencing
12 with Section 14000) of Part 3 of Division 9 of the Welfare and
13 Institutions Code, the Healthy Families Program, provided
14 pursuant to Part 6.2 (commencing with Section 12693) of Division
15 2 of the Insurance Code, and the Access for Infants and Mothers
16 Program, provided pursuant to Part 6.3 (commencing with Section
17 12695) of Division 2 of the Insurance Code, where the verification
18 or determination is directly connected with, and limited to, the
19 administration of the state health subsidy programs referenced in
20 this clause.

21 (ii) Verifying or determining the eligibility of an applicant for,
22 or a recipient of, federal subsidies offered through the California
23 Health Benefit Exchange, provided pursuant to Title 22
24 (commencing with Section 100500) of the Government Code,
25 including federal tax credits and cost-sharing assistance pursuant
26 to the federal Patient Protection and Affordable Care Act (Public
27 Law 111-148), as amended by the federal Health Care and
28 Education Reconciliation Act of 2010 (Public Law 111-152), where
29 the verification or determination is directly connected with, and
30 limited to, the administration of the California Health Benefit
31 Exchange.

32 (iii) Verifying or determining the eligibility of employees and
33 employers for health coverage through the Small Business Health
34 Options Program, provided pursuant to Section 100502 of the
35 Government Code, where the verification or determination is
36 directly connected with, and limited to, the administration of the
37 Small Business Health Options Program.

38 (2) On and after January 1, 2019, information collected
39 pursuant to this section may be used for the following purposes:

40 (A) Administration of this code.

1 (B) Locating individuals for purposes of establishing paternity
2 and establishing, modifying, and enforcing child support
3 obligations.

4 (C) Administration of employment security and workers'
5 compensation programs.

6 (D) Providing employer or employee information to the
7 Franchise Tax Board and to the State Board of Equalization for
8 the purposes of tax or fee enforcement.

9 (E) Verification of eligibility of applicants for, or recipients of,
10 the public assistance programs listed in Section 1320b-7(b) of
11 Title 42 of the United States Code.

12 (F) Providing employer or employee information to the State
13 Department of Health Care Services, the California Health Benefit
14 Exchange, the Managed Risk Medical Insurance Board, and county
15 departments and agencies for the purpose of:

16 (i) Verifying or determining the eligibility of an applicant for,
17 or a recipient of, state health subsidy programs, limited to the
18 Medi-Cal program, provided pursuant to Chapter 7 (commencing
19 with Section 14000) of Part 3 of Division 9 of the Welfare and
20 Institutions Code, the Healthy Families Program, provided
21 pursuant to Part 6.2 (commencing with Section 12693) of Division
22 2 of the Insurance Code, and the Access for Infants and Mothers
23 Program, provided pursuant to Part 6.3 (commencing with Section
24 12695) of Division 2 of the Insurance Code, where the verification
25 or determination is directly connected with, and limited to, the
26 administration of the state health subsidy programs referenced in
27 this clause.

28 (ii) Verifying or determining the eligibility of an applicant for,
29 or a recipient of, federal subsidies offered through the California
30 Health Benefit Exchange, provided pursuant to Title 22
31 (commencing with Section 100500) of the Government Code,
32 including federal tax credits and cost-sharing assistance pursuant
33 to the federal Patient Protection and Affordable Care Act (Public
34 Law 111-148), as amended by the federal Health Care and
35 Education Reconciliation Act of 2010 (Public Law 111-152), where
36 the verification or determination is directly connected with, and
37 limited to, the administration of the California Health Benefit
38 Exchange.

39 (iii) Verifying or determining the eligibility of employees and
40 employers for health coverage through the Small Business Health

1 *Options Program, provided pursuant to Section 100502 of the*
2 *Government Code, where the verification or determination is*
3 *directly connected with, and limited to, the administration of the*
4 *Small Business Health Options Program.*

5 (g) For purposes of this section, “employer” includes a labor
6 union hiring hall.

7 (h) This section shall become operative on July 1, 1998.

8 *SEC. 3.2. Section 1088.5 of the Unemployment Insurance Code*
9 *is amended to read:*

10 1088.5. (a) In addition to information reported in accordance
11 with Section 1088, effective July 1, 1998, each employer shall file,
12 with the department, the information provided for in subdivision
13 (b) on new employees.

14 (b) Each employer shall report the hiring of any employee who
15 works in this state and to whom the employer anticipates paying
16 ~~wages.~~ *wages, and also shall report the hiring of any employee*
17 *who previously worked for the employer but had been separated*
18 *from that prior employment for at least 60 consecutive days.*

19 (c) (1) This section shall not apply to any department, agency,
20 or instrumentality of the United States.

21 (2) State agency employers shall not be required to report
22 employees performing intelligence or counterintelligence functions,
23 if the head of the agency has determined that reporting pursuant
24 to this section would endanger the safety of the employee or
25 compromise an ongoing investigation or intelligence mission.

26 (d) (1) Employers shall submit a report as described in
27 paragraph (4) within 20 days of hiring any employee whom the
28 employer is required to report pursuant to this section.

29 (2) Notwithstanding subdivision (a), employers transmitting
30 reports magnetically or electronically shall submit the report by
31 two monthly transmissions not less than 12 days and not more
32 than 16 days apart.

33 (3) For purposes of this section, an employer that has employees
34 in two or more states and that transmits reports magnetically or
35 electronically may designate one state in which the employer has
36 employees to which the employer will transmit the report described
37 in paragraph (4). Any employer that transmits reports pursuant to
38 this paragraph shall notify the Secretary of Health and Human
39 Services in writing as to which state the employer designates for
40 the purpose of sending reports.

1 (4) The report shall contain the following:

2 (A) The name, address, and social security number of the
3 employees.

4 (B) The employer's name, address, state employer identification
5 number (if one has been issued), and identifying number assigned
6 to the employer under Section 6109 of the Internal Revenue Code
7 of 1986.

8 (C) The first date the employee worked.

9 (5) Employers may report pursuant to this section by submitting
10 a copy of the employee's W-4 form, a form provided by the
11 department, or any other hiring document transmitted by first-class
12 mail, magnetically, or electronically.

13 (e) For each failure to report the hiring of an employee, as
14 required and within the time required by this section, unless the
15 failure is due to good cause, the department may assess a penalty
16 of twenty-four dollars (\$24), or four hundred ninety dollars (\$490)
17 if the failure is the result of conspiracy between the employer and
18 employee not to supply the required report or to supply a false or
19 incomplete report.

20 (f) Information collected pursuant to this section may be used
21 for the following purposes:

22 (1) Administration of this code.

23 (2) Locating individuals for purposes of establishing paternity
24 and establishing, modifying, and enforcing child support
25 obligations.

26 (3) Administration of employment security and workers'
27 compensation programs.

28 (4) Providing employer or employee information to the
29 Franchise Tax Board and the State Board of Equalization for the
30 purpose of tax or fee enforcement.

31 (5) Verification of eligibility of applicants for, or recipients of,
32 the public assistance programs listed in Section 1320b-7(b) of Title
33 42 of the United States Code.

34 (6) *Providing employer or employee information to the State*
35 *Department of Health Care Services, the California Health Benefit*
36 *Exchange, the Managed Risk Medical Insurance Board, and county*
37 *departments and agencies for the purpose of:*

38 (A) *Verifying or determining the eligibility of an applicant for,*
39 *or a recipient of, state health subsidy programs, limited to the*
40 *Medi-Cal program, provided pursuant to Chapter 7 (commencing*

1 with Section 14000) of Part 3 of Division 9 of the Welfare and
2 Institutions Code, the Healthy Families Program, provided
3 pursuant to Part 6.2 (commencing with Section 12693) of Division
4 2 of the Insurance Code, and the Access for Infants and Mothers
5 Program, provided pursuant to Part 6.3 (commencing with Section
6 12695) of Division 2 of the Insurance Code, where the verification
7 or determination is directly connected with, and limited to, the
8 administration of the state health subsidy programs referenced in
9 this subparagraph.

10 (B) Verifying or determining the eligibility of an applicant for,
11 or a recipient of, federal subsidies offered through the California
12 Health Benefit Exchange, provided pursuant to Title 22
13 (commencing with Section 100500) of the Government Code,
14 including federal tax credits and cost-sharing assistance pursuant
15 to the federal Patient Protection and Affordable Care Act, (Public
16 Law 111-148), as amended by the federal Health Care and
17 Education Reconciliation Act of 2010 (Public Law 111-152), where
18 the verification or determination is directly connected with, and
19 limited to, the administration of the California Health Benefit
20 Exchange.

21 (C) Verifying or determining the eligibility of employees and
22 employers for health coverage through the Small Business Health
23 Options Program, provided pursuant to Section 100502 of the
24 Government Code, where the verification or determination is
25 directly connected with, and limited to the administration of the
26 Small Business Health Options Program.

27 (g) For purposes of this section, “employer” includes a labor
28 union hiring hall.

29 (h) This section shall become operative on July 1, 1998.

30 SEC. 3.3. Section 1088.5 of the Unemployment Insurance Code
31 is amended to read:

32 1088.5. (a) In addition to information reported in accordance
33 with Section 1088, effective July 1, 1998, each employer shall file,
34 with the department, the information provided for in subdivision
35 (b) on new employees.

36 (b) Each employer shall report the hiring of any employee who
37 works in this state and to whom the employer anticipates paying
38 ~~wages~~ wages, and also shall report the hiring of any employee
39 who previously worked for the employer but had been separated
40 from that prior employment for at least 60 consecutive days.

1 (c) (1) This section shall not apply to any department, agency,
2 or instrumentality of the United States.

3 (2) State agency employers shall not be required to report
4 employees performing intelligence or counterintelligence functions,
5 if the head of the agency has determined that reporting pursuant
6 to this section would endanger the safety of the employee or
7 compromise an ongoing investigation or intelligence mission.

8 (d) (1) Employers shall submit a report as described in
9 paragraph (4) within 20 days of hiring any employee whom the
10 employer is required to report pursuant to this section.

11 (2) Notwithstanding subdivision (a), employers transmitting
12 reports magnetically or electronically shall submit the report by
13 two monthly transmissions not less than 12 days and not more
14 than 16 days apart.

15 (3) For purposes of this section, an employer that has employees
16 in two or more states and that transmits reports magnetically or
17 electronically may designate one state in which the employer has
18 employees to which the employer will transmit the report described
19 in paragraph (4). Any employer that transmits reports pursuant to
20 this paragraph shall notify the Secretary of Health and Human
21 Services in writing as to which state the employer designates for
22 the purpose of sending reports.

23 (4) The report shall contain the following:

24 (A) The name, address, and social security number of the
25 employees.

26 (B) The employer's name, address, state employer identification
27 number (if one has been issued), and identifying number assigned
28 to the employer under Section 6109 of the Internal Revenue Code
29 of 1986.

30 (C) The first date the employee worked.

31 (5) Employers may report pursuant to this section by submitting
32 a copy of the employee's W-4 form, a form provided by the
33 department, or any other hiring document transmitted by first-class
34 mail, magnetically, or electronically.

35 (e) For each failure to report the hiring of an employee, as
36 required and within the time required by this section, unless the
37 failure is due to good cause, the department may assess a penalty
38 of twenty-four dollars (\$24), or four hundred ninety dollars (\$490)
39 if the failure is the result of conspiracy between the employer and

1 employee not to supply the required report or to supply a false or
2 incomplete report.

3 ~~(f) Information~~

4 *(f) (1) On and after January 1, 2013, and before January 1,*
5 *2019, information collected pursuant to this section may be used*
6 *for the following purposes:*

7 ~~(1)~~

8 *(A) Administration of this code, including, but not limited to,*
9 *providing employer or employee information to participating*
10 *members of the Joint Enforcement Strike Force on the*
11 *Underground Economy pursuant to Section 329 for the purposes*
12 *of auditing, investigating, and prosecuting violations of tax and*
13 *cash-pay reporting laws.*

14 ~~(2)~~

15 *(B) Locating individuals for purposes of establishing paternity*
16 *and establishing, modifying, and enforcing child support*
17 *obligations.*

18 ~~(3)~~

19 *(C) Administration of employment security and workers'*
20 *compensation programs.*

21 ~~(4)~~

22 *(D) Providing employer or employee information to the*
23 *Franchise Tax Board and the State Board of Equalization for the*
24 *purpose of tax or fee enforcement.*

25 ~~(5)~~

26 *(E) Verification of eligibility of applicants for, or recipients of,*
27 *the public assistance programs listed in Section 1320b-7(b) of Title*
28 *42 of the United States Code.*

29 *(F) Providing employer or employee information to the*
30 *Contractors' State License Board and the State Compensation*
31 *Insurance Fund for the purpose of workers' compensation payroll*
32 *reporting.*

33 *(G) Providing employer or employee information to the State*
34 *Department of Health Care Services, the California Health Benefit*
35 *Exchange, the Managed Risk Medical Insurance Board, and county*
36 *departments and agencies for the purpose of:*

37 *(i) Verifying or determining the eligibility of an applicant for,*
38 *or a recipient of, state health subsidy programs, limited to the*
39 *Medi-Cal program, provided pursuant to Chapter 7 (commencing*
40 *with Section 14000) of Part 3 of Division 9 of the Welfare and*

Institutions Code, the Healthy Families Program, provided pursuant to Part 6.2 (commencing with Section 12693) of Division 2 of the Insurance Code, and the Access for Infants and Mothers Program, provided pursuant to Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code, where the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this clause.

(ii) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act, (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), where the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(iii) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, where the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) On and after January 1, 2019, information collected pursuant to this section may be used for the following purposes:

(A) Administration of this code.

(B) Locating individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations.

(C) Administration of employment security and workers' compensation programs.

(D) Providing employer or employee information to the Franchise Tax Board and to the State Board of Equalization for the purposes of tax or fee enforcement.

(E) Verification of eligibility of applicants for, or recipients of, the public assistance programs listed in Section 1320b-7(b) of Title 42 of the United States Code.

1 (F) *Providing employer or employee information to the State*
2 *Department of Health Care Services, the California Health Benefit*
3 *Exchange, the Managed Risk Medical Insurance Board, and county*
4 *departments and agencies for the purpose of:*

5 (i) *Verifying or determining the eligibility of an applicant for;*
6 *or a recipient of, state health subsidy programs, limited to the*
7 *Medi-Cal program, provided pursuant to Chapter 7 (commencing*
8 *with Section 14000) of Part 3 of Division 9 of the Welfare and*
9 *Institutions Code, the Healthy Families Program, provided*
10 *pursuant to Part 6.2 (commencing with Section 12693) of Division*
11 *2 of the Insurance Code, and the Access for Infants and Mothers*
12 *Program, provided pursuant to Part 6.3 (commencing with Section*
13 *12695) of Division 2 of the Insurance Code, where the verification*
14 *or determination is directly connected with, and limited to, the*
15 *administration of the state health subsidy programs referenced in*
16 *this clause.*

17 (ii) *Verifying or determining the eligibility of an applicant for;*
18 *or a recipient of, federal subsidies offered through the California*
19 *Health Benefit Exchange, provided pursuant to Title 22*
20 *(commencing with Section 100500) of the Government Code,*
21 *including federal tax credits and cost-sharing assistance pursuant*
22 *to the federal Patient Protection and Affordable Care Act, (Public*
23 *Law 111-148), as amended by the federal Health Care and*
24 *Education Reconciliation Act of 2010 (Public Law 111-152), where*
25 *the verification or determination is directly connected with, and*
26 *limited to, the administration of the California Health Benefit*
27 *Exchange.*

28 (iii) *Verifying or determining the eligibility of employees and*
29 *employers for health coverage through the Small Business Health*
30 *Options Program, provided pursuant to Section 100502 of the*
31 *Government Code, where the verification or determination is*
32 *directly connected with, and limited to, the administration of the*
33 *Small Business Health Options Program.*

34 (g) For purposes of this section, “employer” includes a labor
35 union hiring hall.

36 (h) This section shall become operative on July 1, 1998.

37 SEC. 4. Section 1095 of the Unemployment Insurance Code
38 is amended to read:

39 1095. The director shall permit the use of any information in
40 his or her possession to the extent necessary for any of the

1 following purposes and may require reimbursement for all direct
2 costs incurred in providing any and all information specified in
3 this section, except information specified in subdivisions (a) to
4 (e), inclusive:

5 (a) To enable the director or his or her representative to carry
6 out his or her responsibilities under this code.

7 (b) To properly present a claim for benefits.

8 (c) To acquaint a worker or his or her authorized agent with his
9 or her existing or prospective right to benefits.

10 (d) To furnish an employer or his or her authorized agent with
11 information to enable him or her to fully discharge his or her
12 obligations or safeguard his or her rights under this division or
13 Division 3 (commencing with Section 9000).

14 (e) To enable an employer to receive a reduction in contribution
15 rate.

16 (f) To enable federal, state, or local government departments
17 or agencies, subject to federal law, to verify or determine the
18 eligibility or entitlement of an applicant for, or a recipient of, public
19 social services provided pursuant to Division 9 (commencing with
20 Section 10000) of the Welfare and Institutions Code, or Part A of
21 Title IV of the Social Security Act, where the verification or
22 determination is directly connected with, and limited to, the
23 administration of public social services.

24 (g) To enable county administrators of general relief or
25 assistance, or their representatives, to determine entitlement to
26 locally provided general relief or assistance, where the
27 determination is directly connected with, and limited to, the
28 administration of general relief or assistance.

29 (h) To enable state or local governmental departments or
30 agencies to seek criminal, civil, or administrative remedies in
31 connection with the unlawful application for, or receipt of, relief
32 provided under Division 9 (commencing with Section 10000) of
33 the Welfare and Institutions Code or to enable the collection of
34 expenditures for medical assistance services pursuant to Part 5
35 (commencing with Section 17000) of Division 9 of the Welfare
36 and Institutions Code.

37 (i) To provide any law enforcement agency with the name,
38 address, telephone number, birth date, social security number,
39 physical description, and names and addresses of present and past
40 employers, of any victim, suspect, missing person, potential

1 witness, or person for whom a felony arrest warrant has been
2 issued, when a request for this information is made by any
3 investigator or peace officer as defined by Sections 830.1 and
4 830.2 of the Penal Code, or by any federal law enforcement officer
5 to whom the Attorney General has delegated authority to enforce
6 federal search warrants, as defined under Sections 60.2 and 60.3
7 of Title 28 of the Code of Federal Regulations, as amended, and
8 when the requesting officer has been designated by the head of
9 the law enforcement agency and requests this information in the
10 course of and as a part of an investigation into the commission of
11 a crime when there is a reasonable suspicion that the crime is a
12 felony and that the information would lead to relevant evidence.
13 The information provided pursuant to this subdivision shall be
14 provided to the extent permitted by federal law and regulations,
15 and to the extent the information is available and accessible within
16 the constraints and configurations of existing department records.
17 Any person who receives any information under this subdivision
18 shall make a written report of the information to the law
19 enforcement agency that employs him or her, for filing under the
20 normal procedures of that agency.

21 (1) This subdivision shall not be construed to authorize the
22 release to any law enforcement agency of a general list identifying
23 individuals applying for or receiving benefits.

24 (2) The department shall maintain records pursuant to this
25 subdivision only for periods required under regulations or statutes
26 enacted for the administration of its programs.

27 (3) This subdivision shall not be construed as limiting the
28 information provided to law enforcement agencies to that pertaining
29 only to applicants for, or recipients of, benefits.

30 (4) The department shall notify all applicants for benefits that
31 release of confidential information from their records will not be
32 protected should there be a felony arrest warrant issued against
33 the applicant or in the event of an investigation by a law
34 enforcement agency into the commission of a felony.

35 (j) To provide public employee retirement systems in California
36 with information relating to the earnings of any person who has
37 applied for or is receiving a disability income, disability allowance,
38 or disability retirement allowance, from a public employee
39 retirement system. The earnings information shall be released only
40 upon written request from the governing board specifying that the

1 person has applied for or is receiving a disability allowance or
2 disability retirement allowance from its retirement system. The
3 request may be made by the chief executive officer of the system
4 or by an employee of the system so authorized and identified by
5 name and title by the chief executive officer in writing.

6 (k) To enable the Division of Labor Standards Enforcement in
7 the Department of Industrial Relations to seek criminal, civil, or
8 administrative remedies in connection with the failure to pay, or
9 the unlawful payment of, wages pursuant to Chapter 1
10 (commencing with Section 200) of Part 1 of Division 2 of, and
11 Chapter 1 (commencing with Section 1720) of Part 7 of Division
12 2 of, the Labor Code.

13 (l) To enable federal, state, or local governmental departments
14 or agencies to administer child support enforcement programs
15 under Title IV of the Social Security Act (42 U.S.C. Sec. 651 et
16 seq.).

17 (m) To provide federal, state, or local governmental departments
18 or agencies with wage and claim information in its possession that
19 will assist those departments and agencies in the administration
20 of the Victims of Crime Program or in the location of victims of
21 crime who, by state mandate or court order, are entitled to
22 restitution that has been or can be recovered.

23 (n) To provide federal, state, or local governmental departments
24 or agencies with information concerning any individuals who are
25 or have been:

26 (1) Directed by state mandate or court order to pay restitution,
27 fines, penalties, assessments, or fees as a result of a violation of
28 law.

29 (2) Delinquent or in default on guaranteed student loans or who
30 owe repayment of funds received through other financial assistance
31 programs administered by those agencies. The information released
32 by the director for the purposes of this paragraph shall not include
33 unemployment insurance benefit information.

34 (o) To provide an authorized governmental agency with any or
35 all relevant information that relates to any specific workers'
36 compensation insurance fraud investigation. The information shall
37 be provided to the extent permitted by federal law and regulations.
38 For the purposes of this subdivision, "authorized governmental
39 agency" means the district attorney of any county, the office of
40 the Attorney General, the Department of Industrial Relations, and

1 the Department of Insurance. An authorized governmental agency
2 may disclose this information to the State Bar, the Medical Board
3 of California, or any other licensing board or department whose
4 licensee is the subject of a workers' compensation insurance fraud
5 investigation. This subdivision shall not prevent any authorized
6 governmental agency from reporting to any board or department
7 the suspected misconduct of any licensee of that body.

8 (p) To enable the Director of the Bureau for Private
9 Postsecondary and Vocational Education, or his or her
10 representatives, to access unemployment insurance quarterly wage
11 data on a case-by-case basis to verify information on school
12 administrators, school staff, and students provided by those schools
13 who are being investigated for possible violations of Chapter 7
14 (commencing with Section 94700) of Part 59 of the Education
15 Code.

16 (q) To provide employment tax information to the tax officials
17 of Mexico, if a reciprocal agreement exists. For purposes of this
18 subdivision, "reciprocal agreement" means a formal agreement to
19 exchange information between national taxing officials of Mexico
20 and taxing authorities of the State Board of Equalization, the
21 Franchise Tax Board, and the Employment Development
22 Department. Furthermore, the reciprocal agreement shall be limited
23 to the exchange of information that is essential for tax
24 administration purposes only. Taxing authorities of the State of
25 California shall be granted tax information only on California
26 residents. Taxing authorities of Mexico shall be granted tax
27 information only on Mexican nationals.

28 (r) To enable city and county planning agencies to develop
29 economic forecasts for planning purposes. The information shall
30 be limited to businesses within the jurisdiction of the city or county
31 whose planning agency is requesting the information, and shall
32 not include information regarding individual employees.

33 (s) To provide the State Department of Developmental Services
34 with wage and employer information that will assist in the
35 collection of moneys owed by the recipient, parent, or any other
36 legally liable individual for services and supports provided pursuant
37 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,
38 and Chapter 2 (commencing with Section 7200) and Chapter 3
39 (commencing with Section 7500) of Division 7 of, the Welfare
40 and Institutions Code.

1 (t) To provide the State Board of Equalization with employment
2 tax information that will assist in the administration of tax
3 programs. The information shall be limited to the exchange of
4 employment tax information essential for tax administration
5 purposes to the extent permitted by federal law and regulations.

6 (u) Nothing in this section shall be construed to authorize or
7 permit the use of information obtained in the administration of this
8 code by any private collection agency.

9 (v) The disclosure of the name and address of an individual or
10 business entity that was issued an assessment that included
11 penalties under Section 1128 or 1128.1 shall not be in violation
12 of Section 1094 if the assessment is final. The disclosure may also
13 include any of the following:

14 (1) The total amount of the assessment.

15 (2) The amount of the penalty imposed under Section 1128 or
16 1128.1 that is included in the assessment.

17 (3) The facts that resulted in the charging of the penalty under
18 Section 1128 or 1128.1.

19 (w) To enable the Contractors' State License Board to verify
20 the employment history of an individual applying for licensure
21 pursuant to Section 7068 of the Business and Professions Code.

22 (x) To provide any peace officer with the Division of
23 Investigation in the Department of Consumer Affairs information
24 pursuant to subdivision (i) when the requesting peace officer has
25 been designated by the Chief of the Division of Investigation and
26 requests this information in the course of and as part of an
27 investigation into the commission of a crime or other unlawful act
28 when there is reasonable suspicion to believe that the crime or act
29 may be connected to the information requested and would lead to
30 relevant information regarding the crime or unlawful act.

31 (y) To enable the Labor Commissioner of the Division of Labor
32 Standards Enforcement in the Department of Industrial Relations
33 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully
34 uninsured employers. The information shall be provided to the
35 extent permitted by federal law and regulations.

36 (z) To enable the Chancellor of the California Community
37 Colleges, in accordance with the requirements of Section 84754.5
38 of the Education Code, to obtain quarterly wage data, commencing
39 January 1, 1993, on students who have attended one or more
40 community colleges, to assess the impact of education on the

1 employment and earnings of students, to conduct the annual
2 evaluation of district-level and individual college performance in
3 achieving priority educational outcomes, and to submit the required
4 reports to the Legislature and the Governor. The information shall
5 be provided to the extent permitted by federal statutes and
6 regulations.

7 (aa) To enable the Public Employees' Retirement System to
8 seek criminal, civil, or administrative remedies in connection with
9 the unlawful application for, or receipt of, benefits provided under
10 Part 3 (commencing with Section 20000) of Division 5 of Title 2
11 of the Government Code.

12 (ab) To enable the State Department of Education, the University
13 of California, the California State University, and the Chancellor
14 of the California Community Colleges, pursuant to the
15 requirements prescribed by the federal American Recovery and
16 Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly
17 wage data, commencing July 1, 2010, on students who have
18 attended their respective systems to assess the impact of education
19 on the employment and earnings of those students, to conduct the
20 annual analysis of district-level and individual district or
21 postsecondary education system performance in achieving priority
22 educational outcomes, and to submit the required reports to the
23 Legislature and the Governor. The information shall be provided
24 to the extent permitted by federal statutes and regulations.

25 (ac) (1) To enable the State Department of Health Care Services,
26 the California Health Benefit Exchange, the Managed Risk Medical
27 Insurance Board, and county departments and agencies to obtain
28 information regarding employee wages, California employer names
29 and account numbers, employer reports of wages and number of
30 employees, and disability insurance and unemployment insurance
31 claim information, for the purpose of:

32 (A) Verifying or determining the eligibility of an applicant for,
33 or a recipient of, state health subsidy programs, limited to the
34 Medi-Cal Program, provided pursuant to Chapter 7 (commencing
35 with Section 14000) of Part 3 of Division 9 of the Welfare and
36 Institutions Code, the Healthy Families Program, provided pursuant
37 to Part 6.2 (commencing with Section 12693) of Division 2 of the
38 Insurance Code, and the Access for Infants and Mothers Program,
39 provided pursuant to Part 6.3 (commencing with Section 12695)
40 of Division 2 of the Insurance Code, where the verification or

determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.

(B) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), where the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(C) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, where the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) The information provided under this subdivision shall be subject to the requirements of, and provided to the extent permitted by, federal law and regulations, including Part 603 of Title 20 of the Code of Federal Regulations.

SEC. 4.1. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in his or her possession to the extent necessary for any of the following purposes and may require reimbursement for all direct costs incurred in providing any and all information specified in this section, except information specified in subdivisions (a) to (e), inclusive:

(a) To enable the director or his or her representative to carry out his or her responsibilities under this code.

(b) To properly present a claim for benefits.

(c) To acquaint a worker or his or her authorized agent with his or her existing or prospective right to benefits.

(d) To furnish an employer or his or her authorized agent with information to enable him or her to fully discharge his or her

1 obligations or safeguard his or her rights under this division or
2 Division 3 (commencing with Section 9000).

3 (e) To enable an employer to receive a reduction in contribution
4 rate.

5 (f) To enable federal, state, or local government departments
6 or agencies, subject to federal law, to verify or determine the
7 eligibility or entitlement of an applicant for, or a recipient of, public
8 social services provided pursuant to Division 9 (commencing with
9 Section 10000) of the Welfare and Institutions Code, or Part A of
10 Title IV of the Social Security Act, where the verification or
11 determination is directly connected with, and limited to, the
12 administration of public social services.

13 (g) To enable county administrators of general relief or
14 assistance, or their representatives, to determine entitlement to
15 locally provided general relief or assistance, where the
16 determination is directly connected with, and limited to, the
17 administration of general relief or assistance.

18 (h) To enable state or local governmental departments or
19 agencies to seek criminal, civil, or administrative remedies in
20 connection with the unlawful application for, or receipt of, relief
21 provided under Division 9 (commencing with Section 10000) of
22 the Welfare and Institutions Code or to enable the collection of
23 expenditures for medical assistance services pursuant to Part 5
24 (commencing with Section 17000) of Division 9 of the Welfare
25 and Institutions Code.

26 (i) To provide any law enforcement agency with the name,
27 address, telephone number, birth date, social security number,
28 physical description, and names and addresses of present and past
29 employers, of any victim, suspect, missing person, potential
30 witness, or person for whom a felony arrest warrant has been
31 issued, when a request for this information is made by any
32 investigator or peace officer as defined by Sections 830.1 and
33 830.2 of the Penal Code, or by any federal law enforcement officer
34 to whom the Attorney General has delegated authority to enforce
35 federal search warrants, as defined under Sections 60.2 and 60.3
36 of Title 28 of the Code of Federal Regulations, as amended, and
37 when the requesting officer has been designated by the head of
38 the law enforcement agency and requests this information in the
39 course of and as a part of an investigation into the commission of
40 a crime when there is a reasonable suspicion that the crime is a

1 felony and that the information would lead to relevant evidence.
2 The information provided pursuant to this subdivision shall be
3 provided to the extent permitted by federal law and regulations,
4 and to the extent the information is available and accessible within
5 the constraints and configurations of existing department records.
6 Any person who receives any information under this subdivision
7 shall make a written report of the information to the law
8 enforcement agency that employs him or her, for filing under the
9 normal procedures of that agency.

10 (1) This subdivision shall not be construed to authorize the
11 release to any law enforcement agency of a general list identifying
12 individuals applying for or receiving benefits.

13 (2) The department shall maintain records pursuant to this
14 subdivision only for periods required under regulations or statutes
15 enacted for the administration of its programs.

16 (3) This subdivision shall not be construed as limiting the
17 information provided to law enforcement agencies to that pertaining
18 only to applicants for, or recipients of, benefits.

19 (4) The department shall notify all applicants for benefits that
20 release of confidential information from their records will not be
21 protected should there be a felony arrest warrant issued against
22 the applicant or in the event of an investigation by a law
23 enforcement agency into the commission of a felony.

24 (j) To provide public employee retirement systems in California
25 with information relating to the earnings of any person who has
26 applied for or is receiving a disability income, disability allowance,
27 or disability retirement allowance, from a public employee
28 retirement system. The earnings information shall be released only
29 upon written request from the governing board specifying that the
30 person has applied for or is receiving a disability allowance or
31 disability retirement allowance from its retirement system. The
32 request may be made by the chief executive officer of the system
33 or by an employee of the system so authorized and identified by
34 name and title by the chief executive officer in writing.

35 (k) To enable the Division of Labor Standards Enforcement in
36 the Department of Industrial Relations to seek criminal, civil, or
37 administrative remedies in connection with the failure to pay, or
38 the unlawful payment of, wages pursuant to Chapter 1
39 (commencing with Section 200) of Part 1 of Division 2 of, and

Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of, the Labor Code.

(l) To enable federal, state, or local governmental departments or agencies to administer child support enforcement programs under Title IV of the *federal* Social Security Act (42 U.S.C. Sec. 651 et seq.).

(m) To provide federal, state, or local governmental departments or agencies with wage and claim information in its possession that will assist those departments and agencies in the administration of the Victims of Crime Program or in the location of victims of crime who, by state mandate or court order, are entitled to restitution that has been or can be recovered.

(n) To provide federal, state, or local governmental departments or agencies with information concerning any individuals who are or have been:

(1) Directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.

(2) Delinquent or in default on guaranteed student loans or who owe repayment of funds received through other financial assistance programs administered by those agencies. The information released by the director for the purposes of this paragraph shall not include unemployment insurance benefit information.

(o) To provide an authorized governmental agency with any or all relevant information that relates to any specific workers' compensation insurance fraud investigation. The information shall be provided to the extent permitted by federal law and regulations. For the purposes of this subdivision, "authorized governmental agency" means the district attorney of any county, the office of the Attorney General, the *Contractors' State License Board*, the Department of Industrial Relations, and the Department of Insurance. An authorized governmental agency may disclose this information to the State Bar, the Medical Board of California, or any other licensing board or department whose licensee is the subject of a workers' compensation insurance fraud investigation. This subdivision shall not prevent any authorized governmental agency from reporting to any board or department the suspected misconduct of any licensee of that body.

(p) To enable the Director of the Bureau for Private Postsecondary—~~and Vocational~~ Education, or his or her

1 representatives, to access unemployment insurance quarterly wage
2 data on a case-by-case basis to verify information on school
3 administrators, school staff, and students provided by those schools
4 who are being investigated for possible violations of Chapter 7 8
5 (commencing with Section ~~94700~~) 94800) of Part 59 of *Division*
6 *10 of Title 3* of the Education Code.

7 (q) To provide employment tax information to the tax officials
8 of Mexico, if a reciprocal agreement exists. For purposes of this
9 subdivision, “reciprocal agreement” means a formal agreement to
10 exchange information between national taxing officials of Mexico
11 and taxing authorities of the State Board of Equalization, the
12 Franchise Tax Board, and the Employment Development
13 Department. Furthermore, the reciprocal agreement shall be limited
14 to the exchange of information that is essential for tax
15 administration purposes only. Taxing authorities of the State of
16 California shall be granted tax information only on California
17 residents. Taxing authorities of Mexico shall be granted tax
18 information only on Mexican nationals.

19 (r) To enable city and county planning agencies to develop
20 economic forecasts for planning purposes. The information shall
21 be limited to businesses within the jurisdiction of the city or county
22 whose planning agency is requesting the information, and shall
23 not include information regarding individual employees.

24 (s) To provide the State Department of Developmental Services
25 with wage and employer information that will assist in the
26 collection of moneys owed by the recipient, parent, or any other
27 legally liable individual for services and supports provided pursuant
28 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,
29 and Chapter 2 (commencing with Section 7200) and Chapter 3
30 (commencing with Section 7500) of Division 7 of, the Welfare
31 and Institutions Code.

32 (t) To provide the State Board of Equalization with employment
33 tax information that will assist in the administration of tax
34 programs. The information shall be limited to the exchange of
35 employment tax information essential for tax administration
36 purposes to the extent permitted by federal law and regulations.

37 (u) Nothing in this section shall be construed to authorize or
38 permit the use of information obtained in the administration of this
39 code by any private collection agency.

1 (v) The disclosure of the name and address of an individual or
2 business entity that was issued an assessment that included
3 penalties under Section 1128 or 1128.1 shall not be in violation
4 of Section 1094 if the assessment is final. The disclosure may also
5 include any of the following:

6 (1) The total amount of the assessment.

7 (2) The amount of the penalty imposed under Section 1128 or
8 1128.1 that is included in the assessment.

9 (3) The facts that resulted in the charging of the penalty under
10 Section 1128 or 1128.1.

11 (w) To enable the Contractors' State License Board to verify
12 the employment history of an individual applying for licensure
13 pursuant to Section 7068 of the Business and Professions Code.

14 (x) To provide any peace officer with the Division of
15 Investigation in the Department of Consumer Affairs information
16 pursuant to subdivision (i) when the requesting peace officer has
17 been designated by the Chief of the Division of Investigation and
18 requests this information in the course of and as part of an
19 investigation into the commission of a crime or other unlawful act
20 when there is reasonable suspicion to believe that the crime or act
21 may be connected to the information requested and would lead to
22 relevant information regarding the crime or unlawful act.

23 (y) To enable the Labor Commissioner of the Division of Labor
24 Standards Enforcement in the Department of Industrial Relations
25 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully
26 uninsured employers. The information shall be provided to the
27 extent permitted by federal law and regulations.

28 (z) To enable the Chancellor of the California Community
29 Colleges, in accordance with the requirements of Section 84754.5
30 of the Education Code, to obtain quarterly wage data, commencing
31 January 1, 1993, on students who have attended one or more
32 community colleges, to assess the impact of education on the
33 employment and earnings of students, to conduct the annual
34 evaluation of district-level and individual college performance in
35 achieving priority educational outcomes, and to submit the required
36 reports to the Legislature and the Governor. The information shall
37 be provided to the extent permitted by federal statutes and
38 regulations.

39 (aa) To enable the Public Employees' Retirement System to
40 seek criminal, civil, or administrative remedies in connection with

1 the unlawful application for, or receipt of, benefits provided under
2 Part 3 (commencing with Section 20000) of Division 5 of Title 2
3 of the Government Code.

4 (ab) To enable the State Department of Education, the University
5 of California, the California State University, and the Chancellor
6 of the California Community Colleges, pursuant to the
7 requirements prescribed by the federal American Recovery and
8 Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly
9 wage data, commencing July 1, 2010, on students who have
10 attended their respective systems to assess the impact of education
11 on the employment and earnings of those students, to conduct the
12 annual analysis of district-level and individual district or
13 postsecondary education system performance in achieving priority
14 educational outcomes, and to submit the required reports to the
15 Legislature and the Governor. The information shall be provided
16 to the extent permitted by federal statutes and regulations.

17 (ac) *To provide the Agricultural Labor Relations Board with*
18 *employee, wage, and employer information, for use in the*
19 *investigation or enforcement of the*
20 *Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations*
21 *Act of 1975 (Part 3.5 (commencing with Section 1140) of Division*
22 *2 of the Labor Code). The information shall be provided to the*
23 *extent permitted by federal statutes and regulations.*

24 (ad) (1) *To enable the State Department of Health Care*
25 *Services, the California Health Benefit Exchange, the Managed*
26 *Risk Medical Insurance Board, and county departments and*
27 *agencies to obtain information regarding employee wages,*
28 *California employer names and account numbers, employer reports*
29 *of wages and number of employees, and disability insurance and*
30 *unemployment insurance claim information, for the purpose of:*

31 (A) *Verifying or determining the eligibility of an applicant for,*
32 *or a recipient of, state health subsidy programs, limited to the*
33 *Medi-Cal Program, provided pursuant to Chapter 7 (commencing*
34 *with Section 14000) of Part 3 of Division 9 of the Welfare and*
35 *Institutions Code, the Healthy Families Program, provided*
36 *pursuant to Part 6.2 (commencing with Section 12693) of Division*
37 *2 of the Insurance Code, and the Access for Infants and Mothers*
38 *Program, provided pursuant to Part 6.3 (commencing with Section*
39 *12695) of Division 2 of the Insurance Code, where the verification*
40 *or determination is directly connected with, and limited to, the*

1 *administration of the state health subsidy programs referenced in*
2 *this subparagraph.*

3 *(B) Verifying or determining the eligibility of an applicant for,*
4 *or a recipient of, federal subsidies offered through the California*
5 *Health Benefit Exchange, provided pursuant to Title 22*
6 *(commencing with Section 100500) of the Government Code,*
7 *including federal tax credits and cost-sharing assistance pursuant*
8 *to the federal Patient Protection and Affordable Care Act (Public*
9 *Law 111-148), as amended by the federal Health Care and*
10 *Education Reconciliation Act of 2010 (Public Law 111-152), where*
11 *the verification or determination is directly connected with, and*
12 *limited to, the administration of the California Health Benefit*
13 *Exchange.*

14 *(C) Verifying or determining the eligibility of employees and*
15 *employers for health coverage through the Small Business Health*
16 *Options Program, provided pursuant to Section 100502 of the*
17 *Government Code, where the verification or determination is*
18 *directly connected with, and limited to, the administration of the*
19 *Small Business Health Options Program.*

20 *(2) The information provided under this subdivision shall be*
21 *subject to the requirements of, and provided to the extent permitted*
22 *by, federal law and regulations, including Part 603 of Title 20 of*
23 *the Code of Federal Regulations.*

24 *SEC. 4.2. Section 1095 of the Unemployment Insurance Code*
25 *is amended to read:*

26 *1095. The director shall permit the use of any information in*
27 *his or her possession to the extent necessary for any of the*
28 *following purposes and may require reimbursement for all direct*
29 *costs incurred in providing any and all information specified in*
30 *this section, except information specified in subdivisions (a) to*
31 *(e), inclusive:*

32 *(a) To enable the director or his or her representative to carry*
33 *out his or her responsibilities under this code.*

34 *(b) To properly present a claim for benefits.*

35 *(c) To acquaint a worker or his or her authorized agent with his*
36 *or her existing or prospective right to benefits.*

37 *(d) To furnish an employer or his or her authorized agent with*
38 *information to enable him or her to fully discharge his or her*
39 *obligations or safeguard his or her rights under this division or*
40 *Division 3 (commencing with Section 9000).*

1 (e) To enable an employer to receive a reduction in contribution
2 rate.

3 (f) To enable federal, state, or local government departments
4 or agencies, subject to federal law, to verify or determine the
5 eligibility or entitlement of an applicant for, or a recipient of, public
6 social services provided pursuant to Division 9 (commencing with
7 Section 10000) of the Welfare and Institutions Code, or Part A of
8 Title IV of the Social Security Act, where the verification or
9 determination is directly connected with, and limited to, the
10 administration of public social services.

11 (g) To enable county administrators of general relief or
12 assistance, or their representatives, to determine entitlement to
13 locally provided general relief or assistance, where the
14 determination is directly connected with, and limited to, the
15 administration of general relief or assistance.

16 (h) To enable state or local governmental departments or
17 agencies to seek criminal, civil, or administrative remedies in
18 connection with the unlawful application for, or receipt of, relief
19 provided under Division 9 (commencing with Section 10000) of
20 the Welfare and Institutions Code or to enable the collection of
21 expenditures for medical assistance services pursuant to Part 5
22 (commencing with Section 17000) of Division 9 of the Welfare
23 and Institutions Code.

24 (i) To provide any law enforcement agency with the name,
25 address, telephone number, birth date, social security number,
26 physical description, and names and addresses of present and past
27 employers, of any victim, suspect, missing person, potential
28 witness, or person for whom a felony arrest warrant has been
29 issued, when a request for this information is made by any
30 investigator or peace officer as defined by Sections 830.1 and
31 830.2 of the Penal Code, or by any federal law enforcement officer
32 to whom the Attorney General has delegated authority to enforce
33 federal search warrants, as defined under Sections 60.2 and 60.3
34 of Title 28 of the Code of Federal Regulations, as amended, and
35 when the requesting officer has been designated by the head of
36 the law enforcement agency and requests this information in the
37 course of and as a part of an investigation into the commission of
38 a crime when there is a reasonable suspicion that the crime is a
39 felony and that the information would lead to relevant evidence.
40 The information provided pursuant to this subdivision shall be

1 provided to the extent permitted by federal law and regulations,
2 and to the extent the information is available and accessible within
3 the constraints and configurations of existing department records.
4 Any person who receives any information under this subdivision
5 shall make a written report of the information to the law
6 enforcement agency that employs him or her, for filing under the
7 normal procedures of that agency.

8 (1) This subdivision shall not be construed to authorize the
9 release to any law enforcement agency of a general list identifying
10 individuals applying for or receiving benefits.

11 (2) The department shall maintain records pursuant to this
12 subdivision only for periods required under regulations or statutes
13 enacted for the administration of its programs.

14 (3) This subdivision shall not be construed as limiting the
15 information provided to law enforcement agencies to that pertaining
16 only to applicants for, or recipients of, benefits.

17 (4) The department shall notify all applicants for benefits that
18 release of confidential information from their records will not be
19 protected should there be a felony arrest warrant issued against
20 the applicant or in the event of an investigation by a law
21 enforcement agency into the commission of a felony.

22 (j) To provide public employee retirement systems in California
23 with information relating to the earnings of any person who has
24 applied for or is receiving a disability income, disability allowance,
25 or disability retirement allowance, from a public employee
26 retirement system. The earnings information shall be released only
27 upon written request from the governing board specifying that the
28 person has applied for or is receiving a disability allowance or
29 disability retirement allowance from its retirement system. The
30 request may be made by the chief executive officer of the system
31 or by an employee of the system so authorized and identified by
32 name and title by the chief executive officer in writing.

33 (k) To enable the Division of Labor Standards Enforcement in
34 the Department of Industrial Relations to seek criminal, civil, or
35 administrative remedies in connection with the failure to pay, or
36 the unlawful payment of, wages pursuant to Chapter 1
37 (commencing with Section 200) of Part 1 of Division 2 of, and
38 Chapter 1 (commencing with Section 1720) of Part 7 of Division
39 2 of, the Labor Code.

1 (l) To enable federal, state, or local governmental departments
2 or agencies to administer child support enforcement programs
3 under Title IV of the Social Security Act (42 U.S.C. Sec. 651 et
4 seq.).

5 (m) To provide federal, state, or local governmental departments
6 or agencies with wage and claim information in its possession that
7 will assist those departments and agencies in the administration
8 of the Victims of Crime Program or in the location of victims of
9 crime who, by state mandate or court order, are entitled to
10 restitution that has been or can be recovered.

11 (n) To provide federal, state, or local governmental departments
12 or agencies with information concerning any individuals who are
13 or have been:

14 (1) Directed by state mandate or court order to pay restitution,
15 fines, penalties, assessments, or fees as a result of a violation of
16 law.

17 (2) Delinquent or in default on guaranteed student loans or who
18 owe repayment of funds received through other financial assistance
19 programs administered by those agencies. The information released
20 by the director for the purposes of this paragraph shall not include
21 unemployment insurance benefit information.

22 (o) To provide an authorized governmental agency with any or
23 all relevant information that relates to any specific workers'
24 compensation insurance fraud investigation. The information shall
25 be provided to the extent permitted by federal law and regulations.
26 For the purposes of this subdivision, "authorized governmental
27 agency" means the district attorney of any county, the office of
28 the Attorney General, the Department of Industrial Relations, and
29 the Department of Insurance. An authorized governmental agency
30 may disclose this information to the State Bar of California, the
31 Medical Board of California, or any other licensing board or
32 department whose licensee is the subject of a workers'
33 compensation insurance fraud investigation. This subdivision shall
34 not prevent any authorized governmental agency from reporting
35 to any board or department the suspected misconduct of any
36 licensee of that body.

37 (p) To enable the Director of the Bureau for Private
38 Postsecondary—~~and Vocational~~ Education, or his or her
39 representatives, to access unemployment insurance quarterly wage
40 data on a case-by-case basis to verify information on school

1 administrators, school staff, and students provided by those schools
2 who are being investigated for possible violations of Chapter 7 8
3 (commencing with Section ~~94700~~ 94800) of Part 59 of *Division*
4 *10 of Title 3* of the Education Code.

5 (q) To provide employment tax information to the tax officials
6 of Mexico, if a reciprocal agreement exists. For purposes of this
7 subdivision, “reciprocal agreement” means a formal agreement to
8 exchange information between national taxing officials of Mexico
9 and taxing authorities of the State Board of Equalization, the
10 Franchise Tax Board, and the Employment Development
11 Department. Furthermore, the reciprocal agreement shall be limited
12 to the exchange of information that is essential for tax
13 administration purposes only. Taxing authorities of the State of
14 California shall be granted tax information only on California
15 residents. Taxing authorities of Mexico shall be granted tax
16 information only on Mexican nationals.

17 (r) To enable city and county planning agencies to develop
18 economic forecasts for planning purposes. The information shall
19 be limited to businesses within the jurisdiction of the city or county
20 whose planning agency is requesting the information, and shall
21 not include information regarding individual employees.

22 (s) To provide the State Department of Developmental Services
23 with wage and employer information that will assist in the
24 collection of moneys owed by the recipient, parent, or any other
25 legally liable individual for services and supports provided pursuant
26 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,
27 and Chapter 2 (commencing with Section 7200) and Chapter 3
28 (commencing with Section 7500) of Division 7 of, the Welfare
29 and Institutions Code.

30 (t) To provide the State Board of Equalization with employment
31 tax information that will assist in the administration of tax
32 programs. The information shall be limited to the exchange of
33 employment tax information essential for tax administration
34 purposes to the extent permitted by federal law and regulations.

35 (u) Nothing in this section shall be construed to authorize or
36 permit the use of information obtained in the administration of this
37 code by ~~any~~ a private collection agency.

38 (v) The disclosure of the name and address of an individual or
39 business entity that was issued an assessment that included
40 penalties under Section 1128 or 1128.1 shall not be in violation

1 of Section 1094 if the assessment is final. The disclosure may also
2 include any of the following:

3 (1) The total amount of the assessment.

4 (2) The amount of the penalty imposed under Section 1128 or
5 1128.1 that is included in the assessment.

6 (3) The facts that resulted in the charging of the penalty under
7 Section 1128 or 1128.1.

8 (w) To enable the Contractors' State License Board to verify
9 the employment history of an individual applying for licensure
10 pursuant to Section 7068 of the Business and Professions Code.

11 (x) To provide ~~any~~ a peace officer with the Division of
12 Investigation in the Department of Consumer Affairs information
13 pursuant to subdivision (i) when the requesting peace officer has
14 been designated by the Chief of the Division of Investigation and
15 requests this information in the course of and as part of an
16 investigation into the commission of a crime or other unlawful act
17 when there is reasonable suspicion to believe that the crime or act
18 may be connected to the information requested and would lead to
19 relevant information regarding the crime or unlawful act.

20 (y) To enable the Labor Commissioner of the Division of Labor
21 Standards Enforcement in the Department of Industrial Relations
22 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully
23 uninsured employers. The information shall be provided to the
24 extent permitted by federal law and regulations.

25 (z) To enable the Chancellor of the California Community
26 Colleges, in accordance with the requirements of Section 84754.5
27 of the Education Code, to obtain quarterly wage data, commencing
28 January 1, 1993, on students who have attended one or more
29 community colleges, to assess the impact of education on the
30 employment and earnings of students, to conduct the annual
31 evaluation of ~~district-level~~ *district level* and individual college
32 performance in achieving priority educational outcomes, and to
33 submit the required reports to the Legislature and the Governor.
34 The information shall be provided to the extent permitted by federal
35 statutes and regulations.

36 (aa) To enable the Public Employees' Retirement System to
37 seek criminal, civil, or administrative remedies in connection with
38 the unlawful application for, or receipt of, benefits provided under
39 Part 3 (commencing with Section 20000) of Division 5 of Title 2
40 of the Government Code.

(ab) To enable the State Department of Education, the University of California, the California State University, and the Chancellor of the California Community Colleges, pursuant to the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of ~~district-level~~ *district level* and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(ac) (1) *To enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for the purpose of:*

(A) *Verifying or determining the eligibility of an applicant for, or a recipient of, state health subsidy programs, limited to the Medi-Cal Program, provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, the Healthy Families Program, provided pursuant to Part 6.2 (commencing with Section 12693) of Division 2 of the Insurance Code, and the Access for Infants and Mothers Program, provided pursuant to Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code, where the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.*

(B) *Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), where*

1 *the verification or determination is directly connected with, and*
2 *limited to, the administration of the California Health Benefit*
3 *Exchange.*

4 *(C) Verifying or determining the eligibility of employees and*
5 *employers for health coverage through the Small Business Health*
6 *Options Program, provided pursuant to Section 100502 of the*
7 *Government Code, where the verification or determination is*
8 *directly connected with, and limited to, the administration of the*
9 *Small Business Health Options Program.*

10 *(2) The information provided under this subdivision shall be*
11 *subject to the requirements of, and provided to the extent permitted*
12 *by, federal law and regulations, including Part 603 of Title 20 of*
13 *the Code of Federal Regulations.*

14 *(ad) To enable the Department of Veterans Affairs to receive*
15 *quarterly wage data pursuant to the requirements of Section 713*
16 *of the Military and Veterans Code. The information shall be*
17 *provided to the extent permitted by federal law.*

18 *SEC. 4.3. Section 1095 of the Unemployment Insurance Code*
19 *is amended to read:*

20 *1095. The director shall permit the use of any information in*
21 *his or her possession to the extent necessary for any of the*
22 *following purposes and may require reimbursement for all direct*
23 *costs incurred in providing any and all information specified in*
24 *this section, except information specified in subdivisions (a) to*
25 *(e), inclusive:*

26 *(a) To enable the director or his or her representative to carry*
27 *out his or her responsibilities under this code.*

28 *(b) To properly present a claim for benefits.*

29 *(c) To acquaint a worker or his or her authorized agent with his*
30 *or her existing or prospective right to benefits.*

31 *(d) To furnish an employer or his or her authorized agent with*
32 *information to enable him or her to fully discharge his or her*
33 *obligations or safeguard his or her rights under this division or*
34 *Division 3 (commencing with Section 9000).*

35 *(e) To enable an employer to receive a reduction in contribution*
36 *rate.*

37 *(f) To enable federal, state, or local government departments*
38 *or agencies, subject to federal law, to verify or determine the*
39 *eligibility or entitlement of an applicant for, or a recipient of, public*
40 *social services provided pursuant to Division 9 (commencing with*

1 Section 10000) of the Welfare and Institutions Code, or Part A of
2 Title IV of the Social Security Act, where the verification or
3 determination is directly connected with, and limited to, the
4 administration of public social services.

5 (g) To enable county administrators of general relief or
6 assistance, or their representatives, to determine entitlement to
7 locally provided general relief or assistance, where the
8 determination is directly connected with, and limited to, the
9 administration of general relief or assistance.

10 (h) To enable state or local governmental departments or
11 agencies to seek criminal, civil, or administrative remedies in
12 connection with the unlawful application for, or receipt of, relief
13 provided under Division 9 (commencing with Section 10000) of
14 the Welfare and Institutions Code or to enable the collection of
15 expenditures for medical assistance services pursuant to Part 5
16 (commencing with Section 17000) of Division 9 of the Welfare
17 and Institutions Code.

18 (i) To provide any law enforcement agency with the name,
19 address, telephone number, birth date, social security number,
20 physical description, and names and addresses of present and past
21 employers, of any victim, suspect, missing person, potential
22 witness, or person for whom a felony arrest warrant has been
23 issued, when a request for this information is made by any
24 investigator or peace officer as defined by Sections 830.1 and
25 830.2 of the Penal Code, or by any federal law enforcement officer
26 to whom the Attorney General has delegated authority to enforce
27 federal search warrants, as defined under Sections 60.2 and 60.3
28 of Title 28 of the Code of Federal Regulations, as amended, and
29 when the requesting officer has been designated by the head of
30 the law enforcement agency and requests this information in the
31 course of and as a part of an investigation into the commission of
32 a crime when there is a reasonable suspicion that the crime is a
33 felony and that the information would lead to relevant evidence.
34 The information provided pursuant to this subdivision shall be
35 provided to the extent permitted by federal law and regulations,
36 and to the extent the information is available and accessible within
37 the constraints and configurations of existing department records.
38 Any person who receives any information under this subdivision
39 shall make a written report of the information to the law

1 enforcement agency that employs him or her, for filing under the
2 normal procedures of that agency.

3 (1) This subdivision shall not be construed to authorize the
4 release to any law enforcement agency of a general list identifying
5 individuals applying for or receiving benefits.

6 (2) The department shall maintain records pursuant to this
7 subdivision only for periods required under regulations or statutes
8 enacted for the administration of its programs.

9 (3) This subdivision shall not be construed as limiting the
10 information provided to law enforcement agencies to that pertaining
11 only to applicants for, or recipients of, benefits.

12 (4) The department shall notify all applicants for benefits that
13 release of confidential information from their records will not be
14 protected should there be a felony arrest warrant issued against
15 the applicant or in the event of an investigation by a law
16 enforcement agency into the commission of a felony.

17 (j) To provide public employee retirement systems in California
18 with information relating to the earnings of any person who has
19 applied for or is receiving a disability income, disability allowance,
20 or disability retirement allowance, from a public employee
21 retirement system. The earnings information shall be released only
22 upon written request from the governing board specifying that the
23 person has applied for or is receiving a disability allowance or
24 disability retirement allowance from its retirement system. The
25 request may be made by the chief executive officer of the system
26 or by an employee of the system so authorized and identified by
27 name and title by the chief executive officer in writing.

28 (k) To enable the Division of Labor Standards Enforcement in
29 the Department of Industrial Relations to seek criminal, civil, or
30 administrative remedies in connection with the failure to pay, or
31 the unlawful payment of, wages pursuant to Chapter 1
32 (commencing with Section 200) of Part 1 of Division 2 of, and
33 Chapter 1 (commencing with Section 1720) of Part 7 of Division
34 2 of, the Labor Code.

35 (l) To enable federal, state, or local governmental departments
36 or agencies to administer child support enforcement programs
37 under Title IV of the *federal* Social Security Act (42 U.S.C. Sec.
38 651 et seq.).

39 (m) To provide federal, state, or local governmental departments
40 or agencies with wage and claim information in its possession that

1 will assist those departments and agencies in the administration
2 of the Victims of Crime Program or in the location of victims of
3 crime who, by state mandate or court order, are entitled to
4 restitution that has been or can be recovered.

5 (n) To provide federal, state, or local governmental departments
6 or agencies with information concerning any individuals who are
7 or have been:

8 (1) Directed by state mandate or court order to pay restitution,
9 fines, penalties, assessments, or fees as a result of a violation of
10 law.

11 (2) Delinquent or in default on guaranteed student loans or who
12 owe repayment of funds received through other financial assistance
13 programs administered by those agencies. The information released
14 by the director for the purposes of this paragraph shall not include
15 unemployment insurance benefit information.

16 (o) To provide an authorized governmental agency with any or
17 all relevant information that relates to any specific workers'
18 compensation insurance fraud investigation. The information shall
19 be provided to the extent permitted by federal law and regulations.
20 For the purposes of this subdivision, "authorized governmental
21 agency" means the district attorney of any county, the office of
22 the Attorney General, the *Contractors' State License Board*, the
23 Department of Industrial Relations, and the Department of
24 Insurance. An authorized governmental agency may disclose this
25 information to the State ~~Bar~~, *Bar of California*, the Medical Board
26 of California, or any other licensing board or department whose
27 licensee is the subject of a workers' compensation insurance fraud
28 investigation. This subdivision shall not prevent any authorized
29 governmental agency from reporting to any board or department
30 the suspected misconduct of any licensee of that body.

31 (p) To enable the Director of the Bureau for Private
32 Postsecondary ~~and Vocational~~ Education, or his or her
33 representatives, to access unemployment insurance quarterly wage
34 data on a case-by-case basis to verify information on school
35 administrators, school staff, and students provided by those schools
36 who are being investigated for possible violations of Chapter ~~7 8~~
37 (commencing with Section ~~94700~~) 94800) of Part 59 of *Division*
38 *10 of Title 3* of the Education Code.

39 (q) To provide employment tax information to the tax officials
40 of Mexico, if a reciprocal agreement exists. For purposes of this

1 subdivision, “reciprocal agreement” means a formal agreement to
2 exchange information between national taxing officials of Mexico
3 and taxing authorities of the State Board of Equalization, the
4 Franchise Tax Board, and the Employment Development
5 Department. Furthermore, the reciprocal agreement shall be limited
6 to the exchange of information that is essential for tax
7 administration purposes only. Taxing authorities of the State of
8 California shall be granted tax information only on California
9 residents. Taxing authorities of Mexico shall be granted tax
10 information only on Mexican nationals.

11 (r) To enable city and county planning agencies to develop
12 economic forecasts for planning purposes. The information shall
13 be limited to businesses within the jurisdiction of the city or county
14 whose planning agency is requesting the information, and shall
15 not include information regarding individual employees.

16 (s) To provide the State Department of Developmental Services
17 with wage and employer information that will assist in the
18 collection of moneys owed by the recipient, parent, or any other
19 legally liable individual for services and supports provided pursuant
20 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,
21 and Chapter 2 (commencing with Section 7200) and Chapter 3
22 (commencing with Section 7500) of Division 7 of, the Welfare
23 and Institutions Code.

24 (t) To provide the State Board of Equalization with employment
25 tax information that will assist in the administration of tax
26 programs. The information shall be limited to the exchange of
27 employment tax information essential for tax administration
28 purposes to the extent permitted by federal law and regulations.

29 (u) Nothing in this section shall be construed to authorize or
30 permit the use of information obtained in the administration of this
31 code by ~~any~~ a private collection agency.

32 (v) The disclosure of the name and address of an individual or
33 business entity that was issued an assessment that included
34 penalties under Section 1128 or 1128.1 shall not be in violation
35 of Section 1094 if the assessment is final. The disclosure may also
36 include any of the following:

37 (1) The total amount of the assessment.

38 (2) The amount of the penalty imposed under Section 1128 or
39 1128.1 that is included in the assessment.

1 (3) The facts that resulted in the charging of the penalty under
2 Section 1128 or 1128.1.

3 (w) To enable the Contractors' State License Board to verify
4 the employment history of an individual applying for licensure
5 pursuant to Section 7068 of the Business and Professions Code.

6 (x) To provide—~~any~~ a peace officer with the Division of
7 Investigation in the Department of Consumer Affairs information
8 pursuant to subdivision (i) when the requesting peace officer has
9 been designated by the Chief of the Division of Investigation and
10 requests this information in the course of and as part of an
11 investigation into the commission of a crime or other unlawful act
12 when there is reasonable suspicion to believe that the crime or act
13 may be connected to the information requested and would lead to
14 relevant information regarding the crime or unlawful act.

15 (y) To enable the Labor Commissioner of the Division of Labor
16 Standards Enforcement in the Department of Industrial Relations
17 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully
18 uninsured employers. The information shall be provided to the
19 extent permitted by federal law and regulations.

20 (z) To enable the Chancellor of the California Community
21 Colleges, in accordance with the requirements of Section 84754.5
22 of the Education Code, to obtain quarterly wage data, commencing
23 January 1, 1993, on students who have attended one or more
24 community colleges, to assess the impact of education on the
25 employment and earnings of students, to conduct the annual
26 evaluation of ~~district-level~~ *district level* and individual college
27 performance in achieving priority educational outcomes, and to
28 submit the required reports to the Legislature and the Governor.
29 The information shall be provided to the extent permitted by federal
30 statutes and regulations.

31 (aa) To enable the Public Employees' Retirement System to
32 seek criminal, civil, or administrative remedies in connection with
33 the unlawful application for, or receipt of, benefits provided under
34 Part 3 (commencing with Section 20000) of Division 5 of Title 2
35 of the Government Code.

36 (ab) To enable the State Department of Education, the University
37 of California, the California State University, and the Chancellor
38 of the California Community Colleges, pursuant to the
39 requirements prescribed by the federal American Recovery and
40 Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly

1 wage data, commencing July 1, 2010, on students who have
2 attended their respective systems to assess the impact of education
3 on the employment and earnings of those students, to conduct the
4 annual analysis of ~~district-level~~ *district level* and individual district
5 or postsecondary education system performance in achieving
6 priority educational outcomes, and to submit the required reports
7 to the Legislature and the Governor. The information shall be
8 provided to the extent permitted by federal statutes and regulations.

9 *(ac) To provide the Agricultural Labor Relations Board with*
10 *employee, wage, and employer information, for use in the*
11 *investigation or enforcement of the*
12 *Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations*
13 *Act of 1975 (Part 3.5 (commencing with Section 1140) of Division*
14 *2 of the Labor Code). The information shall be provided to the*
15 *extent permitted by federal statutes and regulations.*

16 *(ad) (1) To enable the State Department of Health Care*
17 *Services, the California Health Benefit Exchange, the Managed*
18 *Risk Medical Insurance Board, and county departments and*
19 *agencies to obtain information regarding employee wages,*
20 *California employer names and account numbers, employer reports*
21 *of wages and number of employees, and disability insurance and*
22 *unemployment insurance claim information, for the purpose of:*

23 *(A) Verifying or determining the eligibility of an applicant for,*
24 *or a recipient of, state health subsidy programs, limited to the*
25 *Medi-Cal Program, provided pursuant to Chapter 7 (commencing*
26 *with Section 14000) of Part 3 of Division 9 of the Welfare and*
27 *Institutions Code, the Healthy Families Program, provided*
28 *pursuant to Part 6.2 (commencing with Section 12693) of Division*
29 *2 of the Insurance Code, and the Access for Infants and Mothers*
30 *Program, provided pursuant to Part 6.3 (commencing with Section*
31 *12695) of Division 2 of the Insurance Code, where the verification*
32 *or determination is directly connected with, and limited to, the*
33 *administration of the state health subsidy programs referenced in*
34 *this subparagraph.*

35 *(B) Verifying or determining the eligibility of an applicant for,*
36 *or a recipient of, federal subsidies offered through the California*
37 *Health Benefit Exchange, provided pursuant to Title 22*
38 *(commencing with Section 100500) of the Government Code,*
39 *including federal tax credits and cost-sharing assistance pursuant*
40 *to the federal Patient Protection and Affordable Care Act (Public*

1 *Law 111-148), as amended by the federal Health Care and*
2 *Education Reconciliation Act of 2010 (Public Law 111-152), where*
3 *the verification or determination is directly connected with, and*
4 *limited to, the administration of the California Health Benefit*
5 *Exchange.*

6 *(C) Verifying or determining the eligibility of employees and*
7 *employers for health coverage through the Small Business Health*
8 *Options Program, provided pursuant to Section 100502 of the*
9 *Government Code, where the verification or determination is*
10 *directly connected with, and limited to, the administration of the*
11 *Small Business Health Options Program.*

12 *(2) The information provided under this subdivision shall be*
13 *subject to the requirements of, and provided to the extent permitted*
14 *by, federal law and regulations, including Part 603 of Title 20 of*
15 *the Code of Federal Regulations.*

16 *(ae) To enable the Department of Veterans Affairs to receive*
17 *quarterly wage data pursuant to the requirements of Section 713*
18 *of the Military and Veterans Code. The information shall be*
19 *provided to the extent permitted by federal law.*

20 *SEC. 5. (a) Section 3.1 of this bill incorporates all of the*
21 *substantive amendments to Section 1088.5 of the Unemployment*
22 *Insurance Code proposed by both this bill and Assembly Bill 1794.*
23 *It shall only become operative if (1) both bills are enacted and*
24 *become effective on or before January 1, 2013, (2) each bill*
25 *amends Section 1088.5 of the Unemployment Insurance Code, and*
26 *(3) Assembly Bill 1845 is not enacted or as enacted does not amend*
27 *that section, and (4) this bill is enacted after Assembly 174, in*
28 *which case Sections 3, 3.2, and 3.3 of this bill shall not become*
29 *operative.*

30 *(b) Section 3.2 of this bill incorporates amendments to Section*
31 *1088.5 of the Unemployment Insurance Code proposed by both*
32 *this bill and Assembly Bill 1845. It shall only become operative if*
33 *(1) both bills are enacted and become effective on or before*
34 *January 1, 2013, (2) each bill amends Section 1088.5 of the*
35 *Unemployment Insurance Code, (3) Assembly Bill 1794 is not*
36 *enacted or as enacted does not amend that section, and (4) this*
37 *bill is enacted after Assembly Bill 1845 in which case Sections 3,*
38 *3.1, and 3.3 of this bill shall not become operative.*

39 *(c) Section 3.3 of this bill incorporates all of the substantive*
40 *amendments to Section 1088.5 of the Unemployment Insurance*

1 *Code proposed by this bill, Assembly Bill 1794, and Assembly Bill*
2 *1845. It shall only become operative if (1) all three bills are*
3 *enacted and become effective on or before January 1, 2013, (2)*
4 *all three bills amend Section 1088.5 of the Unemployment*
5 *Insurance Code, and (3) this bill is enacted after Assembly Bill*
6 *1794 and Assembly Bill 1845, in which case Sections 3, 3.1, and*
7 *3.2 of this bill shall not become operative.*

8 *SEC. 6. (a) Section 4.1 of this bill incorporates all of the*
9 *substantive amendments to Section 1095 of the Unemployment*
10 *Insurance Code proposed by both this bill and Senate Bill 691. It*
11 *shall only become operative if (1) both bills are enacted and*
12 *become effective on or before January 1, 2013, (2) each bill*
13 *amends Section 1095 of the Unemployment Insurance Code, and*
14 *(3) Senate Bill 1258 is not enacted or as enacted does not amend*
15 *that section, and (4) this bill is enacted after Senate Bill 691, in*
16 *which case Sections 4, 4.2, and 4.3 of this bill shall not become*
17 *operative.*

18 *(b) Section 4.2 of this bill incorporates all of the substantive*
19 *amendments to Section 1095 of the Unemployment Insurance Code*
20 *proposed by both this bill and Senate Bill 1258. It shall only*
21 *become operative if (1) both bills are enacted and become effective*
22 *on or before January 1, 2013, (2) each bill amends Section 1095*
23 *of the Unemployment Insurance Code, (3) Senate Bill 691 is not*
24 *enacted or as enacted does not amend that section, and (4) this*
25 *bill is enacted after Senate Bill 1258 in which case Sections 4, 4.1,*
26 *and 4.3 of this bill shall not become operative.*

27 *(c) Section 4.3 of this bill incorporates all of the substantive*
28 *amendments to Section 1095 of the Unemployment Insurance Code*
29 *proposed by this bill, Senate Bill 691, and Senate Bill 1258. It*
30 *shall only become operative if (1) all three bills are enacted and*
31 *become effective on or before January 1, 2013, (2) all three bills*
32 *amend Section 1095 of the Unemployment Insurance Code, and*
33 *(3) this bill is enacted after Senate Bill 691 and Senate Bill 1258,*
34 *in which case Sections 4, 4.1, and 4.2 of this bill shall not become*
35 *operative.*

36 ~~SEC. 5.~~

37 *SEC. 7. No reimbursement is required by this act pursuant to*
38 *Section 6 of Article XIII B of the California Constitution because*
39 *the only costs that may be incurred by a local agency or school*
40 *district will be incurred because this act creates a new crime or*

1 infraction, eliminates a crime or infraction, or changes the penalty
2 for a crime or infraction, within the meaning of Section 17556 of
3 the Government Code, or changes the definition of a crime within
4 the meaning of Section 6 of Article XIII B of the California
5 Constitution.

O